

FLORIDA CONSUMER CONFIDENCE INDEX
January 30, 2007
FOR IMMEDIATE RELEASE



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Consumer Confidence

Consumer confidence among Floridians fell another point in January, down to 89 from 90 in December. Both measures of personal finances fell. Perceptions of personal finances now compared to a year ago fell five points to 79 while perceptions of personal finances a year from now fell three points to 93. Expectations about US economic conditions over the next year were unchanged at 84, while perceptions about US economic conditions over the next five years fell two points to 83. Only the component measuring whether it is a good time to buy big-ticket items rose, gaining three points to 106.

“The big question is still how the slump in housing will affect consumers and the economy in general,” said Chris McCarty, the Survey Director. “The big debate among economists is the extent to which lower sales, and in some cases price depreciation, will affect the greater economy. Some seem to think that housing has bottomed out and that we have successfully achieved a soft landing. Other think that the downturn is not yet over and that the effects of housing are not yet fully realized. In my opinion Florida will experience the effects of housing through 2007, and that some of the recent decline in consumer confidence is due to that.”

For more than a year consumer confidence has moved in the direction of gas prices, rising when gas prices fall, and falling when gas prices rise. This month gas prices declined, but consumer confidence declined as well. Another factor that had affected consumer confidence was the rising stock market. Although the stock market declined in January, it was a small decline that would not normally result in lower confidence. Given that most of the decline was in perceptions of personal finances, this something else must be responsible. This something else is very possibly the difficulties associated with a downturn in housing.

“Higher income households were disproportionately pessimistic in January,” said McCarty. “Keeping in mind that the stock market is still relatively healthy and that gas prices are lower, we find it increasingly likely that owners of higher end homes are the source of the decline. Most economists would agree that if we do not see significant effects in other parts of the economy, such as retail sales, by the summer, then it is not likely to happen.”

FLORIDA ECONOMIC AND CONSUMER SURVEY†
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Jan-06 Feb-06 Mar-06 Apr-06 May-06 Jun-06 Jul-06 Aug-06 Sep-06 Oct-06 Nov-06 Dec-06* Jan-07†

Consumer Confidence Index

FLORIDA	95	87	91	86	86	88	87	77	83	90	93	90	89
Men	99	92	99	94	93	91	92	84	90	98	96	95	94
Women	92	83	84	82	81	86	84	72	78	84	91	87	84
Under age 60	96	89	94	91	87	93	90	79	86	94	96	92	92
Aged 60 and over	92	84	86	81	83	82	79	73	80	82	88	87	86
Income under \$30,000	83	77	77	75	67	70	74	62	72	81	83	77	80
Income \$30,000 and over	100	92	97	93	92	95	91	83	89	95	98	98	94

Personal financial situation now compared to a year ago

FLORIDA	88	83	89	84	88	87	80	74	76	82	84	84	79
Men	94	89	95	91	95	92	87	76	78	95	93	88	88
Women	84	78	83	80	84	83	76	72	75	74	78	81	71
Under age 60	93	88	98	94	97	93	87	79	81	90	92	86	82
Aged 60 and over	80	76	73	67	72	78	65	62	66	69	70	78	75
Income under \$30,000	61	71	66	65	51	61	47	52	53	59	57	62	61
Income \$30,000 and over	97	91	101	94	102	96	91	81	85	91	96	94	88

Personal financial situation expected one year from now

FLORIDA	99	95	96	92	92	94	98	91	89	97	101	96	93
Men	104	97	102	95	99	92	103	98	90	105	104	95	103
Women	96	93	90	90	88	95	95	86	87	91	97	97	83
Under age 60	109	106	107	107	99	106	107	100	101	109	111	105	110
Aged 60 and over	83	77	75	68	77	72	76	71	69	74	82	81	68
Income under \$30,000	96	81	85	82	74	77	82	77	83	88	84	89	85
Income \$30,000 and over	104	103	101	101	99	102	104	98	93	102	107	101	99

Expected national economic conditions over the next year

FLORIDA	86	77	81	76	73	77	76	62	73	83	88	84	84
Men	92	81	93	88	85	87	78	68	86	96	93	89	87
Women	81	74	70	68	66	69	74	57	64	75	85	81	82
Under age 60	84	78	78	74	70	80	76	60	72	84	86	85	82
Aged 60 and over	89	76	86	80	81	76	73	64	78	83	93	84	90
Income under \$30,000	80	69	71	71	61	61	74	49	63	73	76	69	76
Income \$30,000 and over	90	81	82	79	78	85	75	65	79	90	91	92	88

Expected national economic conditions over the next 5 years

FLORIDA	90	79	83	78	75	86	82	73	77	85	93	85	83
Men	94	85	96	91	80	89	89	85	88	92	92	95	87
Women	87	74	72	70	72	83	77	65	70	81	94	77	80
Under age 60	86	76	84	79	73	86	82	71	76	86	94	87	84
Aged 60 and over	97	84	84	80	79	85	81	79	84	84	91	82	83
Income under \$30,000	78	66	73	68	61	65	76	60	70	87	94	70	82
Income \$30,000 and over	94	84	86	86	80	90	83	76	84	87	92	94	84

Is this a good time to buy major household items?

FLORIDA	109	102	106	102	100	98	100	87	100	101	101	103	106
Men	109	107	109	104	108	97	105	93	108	103	100	110	110
Women	109	97	104	101	95	100	96	82	94	100	101	97	103
Under age 60	109	98	104	101	97	98	100	84	100	102	98	99	103
Aged 60 and over	113	107	110	107	106	99	98	92	102	99	105	109	112
Income under \$30,000	100	101	91	91	87	88	89	74	90	98	104	94	97
Income \$30,000 and over	113	101	112	107	103	102	103	92	108	102	103	107	111

*Revised. †Preliminary.

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	417	Race		Gender	
		% Non-white	10	% Male	48
Average age	54	% White	90	% Female	52
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	14	% Yes	15	% North	24
% \$20,000 to \$29,999	15	% No	85	% Central	15
% \$30,000 to \$49,999	25			% Southeast	27
% over \$50,000	46			% Southwest	34